



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/219,267	12/23/1998	JAY S. WALKER	WD-98109	2012
22927	7590	03/06/2006	EXAMINER	
WALKER DIGITAL 2 HIGH RIDGE PARK STAMFORD, CT 06905			NGUYEN, TRI V	
			ART UNIT	PAPER NUMBER
			3622	

DATE MAILED: 03/06/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No. 09/219,267	Applicant(s) WALKER ET AL.	
	Examiner Tri V. Nguyen	Art Unit 3622	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 20 January 2006.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-44, 46-50 and 56-70 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-44, 46-50 and 56-70 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Request for Continued Examination

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on January 20, 2006 has been entered.

Response to Amendment

2. The amendment file on January 20, 2006 has been considered but is ineffective to overcome the Myhre Affidavit, Logan et al. (5,21,827), Saxe (5,636,356) and Weinblatt (5,515,270) references. Claims 34 and 61 have been amended. Dependent Claims 65-70 have been added. The currently pending claims considered below are Claims 1-44, 46-50 and 56-70.

Claim Rejections - 35 USC § 103

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

4. Claims 1, 2, 5-16, 18, 19, 29-32, 42-44, 49, and 56-64 are rejected under 35 U.S.C. 103(a) as being unpatentable over the The Myhre Affidavit in view of Logan et al. (5,21,827).

Claim 1: The Myhre Affidavit discloses a method for providing a discount to a customer which includes:

a. Receiving an indication that a customer is to purchase an item from a merchant;

Art Unit: 3622

- b. Providing an offer (discount/subsidy) to the customer from a second merchant (manufacturer/advertiser/service provider) prior to the purchase transaction being completed;
- c. Receiving a response from the customer accepting the offer; and
- d. Applying the benefit (discount/subsidy) to the item.

The Examiner notes that Radio Shack would "present a list of service plans offered by Sprint with their costs and the amount of discount each would bring on the current purchase of the cell phone" once the customer indicated his desire to purchase the cell phone (steps a and b above). If the customer accepted the subsidy offer and completed the Sprint service application form, the discount on the cell phone purchase would be given upon receipt of an approval code from Sprint (steps c and d above). Each of the service plans had various rules which delineated the qualifications needed to be met by the customer and/or cell phone before it was a viable offerable option, e.g. subsidy based on length or terms of service contract, cost of phone, age or other demographics of the customer, etc. While The Myhre Affidavit does not explicitly disclose that the customer is conducting the transaction on the merchant's web site, Official Notice is taken that it is old and well known within the retail arts for merchants to conduct business and sell a myriad of products, to include cellular telephones, on the Internet through web sites. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to update the circa 1990 Radio Shack system to sell products via an online web site. One would have been motivated to sell products via a web site in order to reach a far wider range of customers. This is the basic reason so many companies have migrated at least part of their product sales to the Internet in the past 10-12 years. While The Myhre Affidavit does not explicitly disclose that the offer is from a second merchant who has been selected from a plurality of merchants based on the customer information, Logan discloses a similar method and further discloses providing an offer from a second merchant selected from a plurality of merchants based on the customer information (col 9, lines 23-50). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to use customer information, such as an indicated preference for a service provider (e.g. Sprint or AT&T), to present an offer to the Radio Shack customer. One would have been motivated to select the offer from a plurality of secondary merchants in

Art Unit: 3622

order to give the customer greater latitude in the selection of service plans and providers, thus increasing the likelihood that the customer would accept the offer. If, for instance, the customer had several bad experiences with AT&T in the past, there would be little incentive, and probably much disincentive, for the customer to accept the subsidy offer if it bound him to a year-long service contract with AT&T.

Claim 2: The Myhre Affidavit and Logan disclose the method as in Claim 1 above, and The Myhre Affidavit further discloses receiving customer information (e.g. via the Sprint service application form). The Examiner notes it would have been obvious during the course of a sales inquiry by the customer that customer information is conveyed. Furthermore, the Examiner notes that the application form would contain at least the customer's name and address along with other pertinent information such as financial account, existing telephone number(s), and any other information that Sprint would need to determine whether or not to approve the application; while the application would also include information about the product (cellular telephone) that was being purchased by the customer, that information would be entered by the store clerk, not by the customer.

Claim 5: The Myhre Affidavit and Logan disclose the method as in Claim 2 above, and Logan further discloses providing an offer from a second merchant selected from a plurality of merchants based on the customer information (col 9, lines 23-50). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to use customer information, such as an indicated preference for a service provider (e.g. Sprint or AT&T), to present an offer to the Radio Shack customer. One would have been motivated to select the offer from a plurality of secondary merchants in order to give the customer greater latitude in the selection of service plans and providers, thus increasing the likelihood that the customer would accept the offer. If, for instance, the customer had several bad experiences with AT&T in the past, there would be little incentive, and probably much disincentive, for the customer to accept the subsidy offer if it bound him to a year-long service contract with AT&T.

Claim 6: The Myhre Affidavit and Logan disclose the method as in Claim 2 above, and The Myhre Affidavit further discloses providing an offer based on the customer

Art Unit: 3622

information (indication of willingness to purchase the cell phone). It also would have been obvious to base the offer on other types of customer information, such as marital status. For example, it would have been obvious to present to a customer who is married and has teenage children an offer for a family calling plan (and, if the salesman is any good, additional phone sets); whereas, such an offer would be inappropriate, or at least more likely to be rejected, if the customer was a young, unmarried college student.

Claim 7: The Myhre Affidavit and Logan disclose the method as in Claim 2 above, and The Myhre Affidavit further discloses requesting and receiving customer information from the customer (e.g. completing the Sprint service application form).

Claims 8 and 9: The Myhre Affidavit and Logan disclose the method as in Claim 7 above, and The Myhre Affidavit further discloses transmitting a question to the customer and receiving the customer's answer (inherent in application forms).

Claim 10: The Myhre Affidavit and Logan disclose the method as in Claim 2 above, but do not disclose verifying the accuracy of the customer information. Official Notice is taken that it is old and well known within the information arts to verify incoming data, such as customer information (see col 9, lines 9-14 of Woolston, 5,845,265, submitted by Applicant as item EE on the Information Disclosure Statement filed on May 19, 1999, paper number 5, as support for this Official Notice). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to verify the customer information upon receipt. One would have been motivated to verify the accuracy of the information in order to ensure the database is kept up-to-date and as accurate as possible and to facilitate the approval process by Sprint. If incorrect customer information has been entered on the application form, such as a misspelled name, it may be impossible for Sprint to complete a credit check and issue an approval of the application.

Claims 11-13: The Myhre Affidavit and Logan disclose the method as in Claim 10 above, but do not disclose assessing a penalty if the customer information is not accurate. Official Notice is taken that it is old and well known within the information arts to penalize

Art Unit: 3622

users when the entered information, such as log-in and password information, is not accurate. It is also well known that this penalty may take many forms, such as monetary, denial of service, disconnection, etc. (see col 4, lines 33-39 of Baker et al 5,884,292, submitted by Applicant as item FF on the Information Disclosure Statement filed on May 19, 1999, paper number 5, as support for this Official Notice). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to penalize the customer for inaccurate information. One would have been motivated to penalize the customer in one of these manners in order to ensure the accuracy of the information retained in the database and to enforce any limitations on the benefit, such as the number of times a customer may receive the benefit within a specified time period, etc. The Myhre Affidavit implies such a penalty when Sprint returns a non-approval (rejection) of the application form, thus preventing the customer from not only receiving the benefit, but also from being able to activate the cell phone at the time of purchase (unless another service provider approves a secondary offer to the customer).

Claim 14: The Myhre Affidavit and Logan disclose the method as in Claim 10 above, but do not disclose verifying the information prior to consummating the purchase. Official Notice is taken that it is old and well known and would have been obvious to one having ordinary skill in the art at the time the invention was made to verify the customer information prior to processing the transaction (see col 4, lines 33-39 of Baker et al, 5,884,292, submitted by Applicant as item FF on the Information Disclosure Statement filed on May 19, 1999, paper number 5, as support for this Official Notice). One would have been motivated to ensure this prior to completing the transaction in order to prevent entry of fraudulent or inaccurate information into the database, to ensure the purchased item is delivered to the correct address, and to ensure that the credit card data is correct prior to releasing the merchandise to the customer.

Claims 15 and 16: The Myhre Affidavit and Logan disclose the method as in Claim 2 above, and The Myhre Affidavit further discloses providing the offer after receiving and based upon the customer information (tailored sales offer and indication of willingness to purchase the cell phone).

Claim 18: The Myhre Affidavit and Logan disclose the method as in Claim 2 above, and The Myhre Affidavit further discloses that the customer information includes the location or Internet address of the customer (customer address on the application form).

Claim 19: The Myhre Affidavit and Logan disclose the method as in Claim 1 above, and The Myhre Affidavit further discloses that the benefit is a reduced price (discount) for the item (subsidized price).

Claims 29-32: The Myhre Affidavit and Logan disclose the method as in Claim 1 above, and The Myhre Affidavit further discloses requesting the customer to participate in a transaction with a second merchant (signing a service contract), receiving an indication from the customer agreeing to such participation, and that the agreement is to initiate a service contract with the second merchant.

Claim 42: The Myhre Affidavit and Logan disclose the method as in Claim 1 above, and The Myhre Affidavit further discloses providing the offer only when a predetermined rule is satisfied (customer indicates willingness to purchase the cell phone)(i.e. the offer to subsidize the purchase of a cellular telephone is not provided if the customer is purchasing a computer).

Claims 43 and 44: The Myhre Affidavit and Logan disclose the method as in Claim 1 above, and The Myhre Affidavit further discloses provide a plurality of offers from the merchant ("list of service plans") and receiving an indication of a selected offer from the customer.

Claim 49: The Myhre Affidavit and Logan disclose the method as in Claim 1 above, and The Myhre Affidavit further discloses receiving a payment from the second merchant upon acceptance of the offer ("Sprint would reimburse Radio Shack").

Claims 56-60 and 63: The Myhre Affidavit and Logan disclose the method as in Claim 1 above, and The Myhre Affidavit discloses transmitting a form to the customer who

Art Unit: 3622

completed the form and returns it to the system. However, The Myhre Affidavit does not disclose that the offer is a discount based on the customer's application for a credit card; nor that the customer completes and submits an application form online after the system determines that the customer does not already have another credit card account with the credit card issuer. Official Notice is taken that it is old and well known within the marketing arts to make promotional offers to customers who will complete and submit application forms for credit cards (see the Times Newspaper article by Stephen Ellis, "Credit card forms drive down costs", submitted by Applicant as item GG on the Information Disclosure Statement filed on May 19, 1999, paper number 5, which is cited in support of this Official Notice). These offers are not only made at a merchant's point of sale, but are prevalent throughout our "plastic" society. Indeed, with the advent of "sponsored" credit cards several years ago, such as banks and even gasoline companies issuing VISA cards, surveys have shown that each American receives dozens of such offers each year. Indeed, even Radio Shack offered its own brand of credit card and included a percentage discount on your first purchase with it. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include a promotion based on a credit card application by the customer. One would have been motivated to use such a promotion in order to increase the amount of credit available to the customer, thus enticing the customer to spend more at the merchant. One would have been motivated to ensure that the customer did not already have an account with the credit card issuer in order to avoid providing an excessive credit limit to a customer.

Claims 61 and 65: The Myhre Affidavit and Logan disclose a method comprising:

- a. receiving an indication that a customer is willing to make a purchase from a first merchant;
- b. receiving information about the customer, in which the information about the customer does not include information about the purchase;
- c. selecting a second merchant from a plurality of merchants;
- d. transmitting, in response to the indication, customer information to the second merchant;
- e. receiving, from the second merchant, a description of a subsidy;

Art Unit: 3622

f. providing an offer for the subsidy from the second merchant, the step of providing the offer being performed before the purchase is consummated;

g. receiving a response to the offer; and

h. applying the subsidy to the purchase if the response indicates acceptance of the offer.

The Examiner notes that Radio Shack during a query for a sale transaction, it is obvious that the customer information is being conveyed to Radio Shack just from the premise of the customer interacting with Radio Shack. The Examiner notes that Radio Shack would "present a list of service plans offered by Sprint with their costs and the amount of discount each would bring on the current purchase of the cell phone" once the customer indicated his desire to purchase the cell phone. If the customer accepted the subsidy offer and completed the Sprint service application form, the discount on the cell phone purchase would be given upon receipt of an approval code from Sprint (steps c and d above). Each of the service plans had various rules which delineated the qualifications needed to be met by the customer and/or cell phone before it was a viable offerable option, e.g. subsidy based on length or terms of service contract, cost of phone, age or other demographics of the customer, etc.

While The Myhre Affidavit does not explicitly disclose that the customer is conducting the transaction on the merchant's web site, Official Notice is taken that it is old and well known within the retail arts for merchants to conduct business and sell a myriad of products, to include cellular telephones, on the Internet through web sites. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to update the circa 1990 Radio Shack system to sell products via an online web site. One would have been motivated to sell products via a web site in order to reach a far wider range of customers. This is the basic reason so many companies have migrated at least part of their product sales to the Internet in the past 10-12 years.

While The Myhre Affidavit does not explicitly disclose that the offer is from a second merchant who has been selected from a plurality of merchants based on the customer information, Logan discloses a similar method and further discloses providing an offer from a second merchant selected from a plurality of merchants based on the customer information (col 9, lines 23-50). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to use customer information, such as an indicated preference for a service provider (e.g. Sprint or AT&T), to present

an offer to the Radio Shack customer. One would have been motivated to select the offer from a plurality of secondary merchants in order to give the customer greater latitude in the selection of service plans and providers, thus increasing the likelihood that the customer would accept the offer. If, for instance, the customer had several bad experiences with AT&T in the past, there would be little incentive, and probably much disincentive, for the customer to accept the subsidy offer if it bound him to a year-long service contract with AT&T. The Myhre Affidavit discloses the second merchant (service provider) providing offers targeted to the specific customer, but does not explicitly disclose sending the customer information to the second merchant prior to receiving the targeted offer. It would have been obvious to one having ordinary skill in the art at the time the invention was made that the second merchant would require the customer information in order to provide an offer targeted to that customer. Therefore, The Myhre Affidavit's disclosure of providing targeted offers from the second merchant infers that the customer information has been received by the second merchant prior to selection of the offer. One would have been motivated to provide the customer information after receiving the indication that the customer is willing to purchase an item in order to allow new customers, whose information was just being collected, to participate in the customized offer system. Finally, the Myhre Affidavit discloses that a new service agreement (phone service agreement) between the second merchant (service provider) and the customer is initiated for a service to be provided by the second merchant to the customer.

Claim 62: The Myhre Affidavit and Logan disclose a method of
Logan further discloses generating a customer interface for allowing the customer to interact with the system (col 10, lines 51-55). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to allow the Radio Shack customer to interact with the system via a customer interface. One would have been motivated to use such a customer interface to facilitate completion of the application form by the customer, thus eliminating the need to use a facsimile machine to send the completed form to Sprint.

Claim 64: The Myhre Affidavit and Logan disclose the method as in Claim 63 above, and

Art Unit: 3622

The Myhre Affidavit further discloses charging the amount, based on the difference between total price and price charged, to the customer, but does not explicitly disclose that it is charged to the customer's credit card. Official Notice is taken that it is old and well known within the retail arts for customers to make purchases using credit cards. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to allow the Radio Shack customer to credit the purchase price to a credit card account. One would have been motivated to charge the purchase price to a credit card account in order to eliminate the need for handling large amounts of cash by the customer and merchant.

5. Claims 3, 4, 17, and 33-40 are rejected under 35 U.S.C. 103(a) as being unpatentable over The Myhre Affidavit in view of Logan et al (5,721,827) and in further view of Saxe (5,636,346).

Claims 3, 4, and 33: The Myhre Affidavit and Logan disclose the method as in Claim 2 above, but does not disclose that the customer information includes a service or service provider. Saxe discloses a similar method in which the customer information includes the customer's "cable account numbers and cable system identification numbers" (col 4, lines 18-27). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to include information about The Myhre Affidavit's customer's service and service provider. One would have been motivated to include this information in order to increase the accuracy and utility of the customer information database when used for marketing programs, such as Sprint presenting special offers to new customer if they switch their other telephone services (local and/or long distance) to Sprint.

Claim 17: The Myhre Affidavit and Logan disclose the method as in Claim 1 above, but does not disclose receiving the customer information from a third party. Saxe discloses a similar method which receives the customer information either directly from the customer as The Myhre Affidavit discloses, or from "third party demographic sources" (col 6, lines 39-48), etc. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to obtain at least part of The Myhre Affidavit's customer information from third party sources. One would have been motivated to obtain

Art Unit: 3622

the information in this way in order to further expand the information in the database without requiring the customer to enter a large amount of data.

Claims 34-40: The Myhre Affidavit and Logan disclose the method as in Claim 1 above, and Saxe discloses determining the service provider of the customer as in Claim 33 above. However, none of the references disclose the steps involved in changing the customer to the new service provider upon receiving an indication of accepting such a change from the customer. Official Notice is taken that it is old and well known within the art to provide promotional offers for customers to switch from one service provider to another (i.e. AOL vs Prodigy vs Compuserve, etc.)(see page 2 of Stephen Ellis, "Credit Cards Firms Drive Down Costs", submitted by the Applicant as item GG on the Information Disclosure Statement filed on May 19, 1999, paper number 5, as support for this Official Notice). It is also well known that one will normally cancel any existing service agreement with another service provider when initiating a new service agreement with the second service provider (such as when switching long distance telephone service providers). It is also well known to check the second service provider's customer database to ensure that the requestor is not already a customer. Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made for the second service provider to check for duplicate membership, to initiate a new service contract with the customer if not a duplicate, and to cancel any existing service contract with the other services providers. One would have been motivated to perform these steps in order to prevent duplication of services being provided to the customer.

6. Claims 20-28, 41,46-48, and 50 are rejected under 35 U.S.C. 103(a) as being unpatentable over The Myhre Affidavit in view of Logan et al (5,721,827) and in further view of Weinblatt (5,515,270).

Claims 20-28: The Myhre Affidavit and Logan disclose the method as in Claim 19 above, but do not disclose that the price is reduced by a predetermined amount or percentage or reduced to zero (free item) or that the reduction is taken if the price of the item is greater than the reduction amount. Weinblatt discloses a similar method in which the

Art Unit: 3622

promotions (offers) "can involve coupons for lowering the price" . . . "2 for 1 sale, oversize containers sold for the same price, manufacturer rebates, combining one product with another product, free giveaways, eligibility for a prize drawing, etc." (col 8, lines 40-45). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made that various types of offers could be utilized, to include price reductions based on a predetermined amount, a predetermined percentage, reduction of the price to zero (free give-a-way), etc. It also would have been obvious to limit the reduction to no more than the total price of the item being purchased. One would have been motivated to include these types of price reduction offers and to place such a limit on the reduction in order to increase the flexibility of the system while preventing the merchant from losing money by actually paying the customer to take the item (if the price reduction exceeded the price of the item).

Claims 41, 46, 47, and 50: The Myhre Affidavit and Logan disclose the method as in Claim 1 above, but do not disclose that the offer is made only if the price of the item is greater than a predetermined threshold. Weinblatt discloses a similar method in which the offer (reward) is based on the purchase parameters, such as number of items, item cost, category of item, etc. (col 13, line 11 - col 14, line 19). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to base the offer on various parameters of the purchase information. One would have been motivated to use the price of the item or total payment amount in order to present offers customized to the purchase to increase the likelihood that the customer will accept the offer.

Claim 48: The Myhre Affidavit and Logan disclose the method of Claim 1 above, and Weinblatt discloses basing the offer on the item as in Claims 41, 46, 47, and 50 above. Weinblatt also discloses that the advertiser will select the offer (col 13, line 11 - col 14, line 19). This infers that the advertiser is selecting the offer from a plurality of such offers (i.e. if the advertiser only had one offer, there would be no need to make a selection). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to select the offer from a plurality of offers. One

Art Unit: 3622

would have been motivated to have a plurality of offers available in order to increase the range of customers and offers with matching parameters.

7. Claim 66 is rejected under 35 U.S.C. 103(a) as being unpatentable over The Myhre Affidavit in view of Logan et al (5,721,827) and in further view of Tedesco (Broadcasting & Cable).

Claim 66: The Myhre Affidavit and Logan disclose the method of Claim 65 above but do not explicitly teach that the service comprises Internet service. In an analogous art, Tedesco teaches the use of cross-marketing between a phone company and America Online to provide Internet service (cols 1, 2 and 3 on page 1). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the method of The Myhre Affidavit and Logan et al. to include providing Internet service. One would have been motivated to apply the teachings of Colman to the method of The Myhre Affidavit and Logan et al. to provide Internet service and thus enticing customers with a novel service, increasing and diversifying the customer base to achieve greater profitability.

8. Claims 67 and 68 are rejected under 35 U.S.C. 103(a) as being unpatentable over The Myhre Affidavit in view of Logan et al (5,721,827) and in further view of Fleming et al. (Wall Street Journal).

Claims 67 and 68: The Myhre Affidavit and Logan disclose the method of Claim 65 above but do not explicitly teach that the service comprises insurance service or banking service. In an analogous art, Fleming et al. teaches the use of cross-marketing and cross-selling between the banking and insurance sectors ("bancassurance" and "assurfinance") to provide banking and insurance services §1-3 on page 1). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the method of The Myhre Affidavit and Logan et al. to include providing banking and insurance services. One would have been motivated to apply the teachings of Colman to the method of The Myhre Affidavit and Logan et al. to provide banking and insurance services and thus enticing customers interested in one item with an accompanying service, thus increasing and diversifying the customer base to achieve greater profitability.

Art Unit: 3622

9. Claims 69 and 70 are rejected under 35 U.S.C. 103(a) as being unpatentable over The Myhre Affidavit in view of Logan et al (5,721,827) and in further view of Colman (Broadcastin & Cable).

Claims 69 and 70: The Myhre Affidavit and Logan disclose the method of Claim 65 above but do not explicitly teach that the service comprises satellite television service or cable television service. In an analogous art, Colman teaches the use of cross-marketing and cross-selling between the telephone, cable television and satellite television sectors to provide satellite television service and cable television service (§ 4 and 5 on page 2). Therefore, it would have been obvious to one having ordinary skill in the art at the time the invention was made to modify the method of The Myhre Affidavit and Logan et al. to include providing satellite television service and cable television service. One would have been motivated to apply the teachings of Colman to the method of The Myhre Affidavit and Logan et al. to provide service and thus enticing customers interested in one item with an accompanying service, thus increasing and diversifying the customer base to achieve greater profitability.

Response to Arguments

10. Applicant's arguments filed on January 20, 2006 have been fully considered but they are not persuasive.

a. The Applicant argues against the use of an Examiner's Affidavit and requests for additional information. The Examiner notes that the use of an Examiner Affidavit is provided as per rule 1.104(d)(2).

When a rejection in an application is based on facts within the personal knowledge of an employee of the Office, the data shall be as specific as possible, and the reference must be supported, when called for by the applicant, by the affidavit of such employee, and such affidavit shall be subject to contradiction or explanation by the affidavits of the applicant and other persons.

With regard to the numerous questions raised by applicant on pages 18-34 of the response, this is not a proper challenge to the affidavit. There is no provision in the rule for this type of cross-examination to determine the reliability and experience of a

Art Unit: 3622

witness. Applicant can challenge that the affidavit doesn't teach claim limitations like any other reference, but in order to challenge the content, applicant needs other affidavits to either explain away what was witnessed as not the invention, e.g. "what you saw was the result of some other background process", or to contradict what was said, e.g. "I was there and this was not how it was done". Until the Applicant has shown that these sale procedures were not practiced at Radio Shack in circa 1990, the Examiner maintains the position that The Myhre Affidavit stands on its own and is used as reflecting standard sale practices and procedures in *circa* 1990 at Radio Shack as experienced by Myhre.

b. The Applicant reiterates the argument in reference to Claim 5 that an offer to subsidize a purchase is not an advertisement (page 26 of 10/04/2004). The Examiner respectfully disagrees and recites the argument previously presented in the Office Action dated December 14, 2004: "While the term "advertisement" is a very broad term used to identify a wide variety of promotional messages, an offer to subsidize one product if the customer purchases that additional product indicated in the offer is just one type of such promotional messages."

c. The Applicant argues in reference to Claim 6 that the prior arts do not teach "other types of customer information, such as marital status." The Examiner respectfully disagrees as it is standard sale practices during a sale discussion that customer information is exchanged from the premise of the interaction with a customer and to tailor specific offers based on customer information as recited in the rejection of Claim 6.

d. The Applicant argues in reference to Claims 15 and 16 that the prior arts do not teach "other types of customer information, such as marital status." The Examiner respectfully disagrees as it is standard sale practices during a sale discussion to tailor offers based on customer information as recited in the rejection of Claims 15 and 16.

e. The Applicant argues in reference to Claim 42 that the references do not disclose only presenting the offer is a predetermined rule is satisfied. The Examiner notes that, as discussed in the rejection, the customer must indicate an interest in purchasing a cellular

Art Unit: 3622

telephone before a subsidy offer is made. If the customer indicates a desire to purchase some other product, such as a computer, the cellular telephone subsidy offer is not presented.

f. The Applicant's arguments in reference to Claims 10-11, 13-14, 56-60 and 63 were previously raised. The Office Action of December 14, 2004 addressed the Applicant's remarks and the current Office Action maintains the same responses.

g. The Applicant's argument in reference to Claim 61 has been addressed in the current rejection.

h. In response to Applicant's argument that the examiner's conclusion of obviousness is based upon improper hindsight reasoning, it must be recognized that any judgment on obviousness is in a sense necessarily a reconstruction based upon hindsight reasoning. But so long as it takes into account only knowledge which was within the level of ordinary skill at the time the claimed invention was made, and does not include knowledge gleaned only from the applicant's disclosure, such a reconstruction is proper. See *In re McLaughlin*, 443 F.2d 1392, 170 USPQ 209 (CCPA 1971).

i. In response to applicant's argument that there is no suggestion to combine the references, the examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988) and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992). In response to applicant's argument that the references are nonanalogous arts, it has been held that a prior art reference must either be in the field of applicant's endeavor or, if not, then be reasonably pertinent to the particular problem with which the applicant was concerned, in order to be relied upon as a basis for rejection of the claimed invention. See *In re Oetiker*, 977 F.2d 1443, 24 USPQ2d 1443 (Fed. Cir. 1992). In this case, the Examiner maintains that the practices outlined in the prior arts are all sales practices of transactions involving a

Art Unit: 3622

product or a service and that it would have been obvious to modify the method of The Myhre Affidavit in view of Logan et al. and the method of The Myhre Affidavit and Logan et al. with the teachings of Saxe.

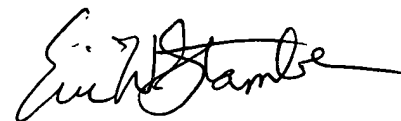
Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Tri V. Nguyen whose telephone number is (571) 272-6965. The examiner can normally be reached on M-F 8:00 AM to 5:30 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber can be reached on (571) 272-6724. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

nvt

A handwritten signature in black ink, appearing to read "Eric W. Stamber", with a stylized, cursive script.

**ERIC W. STAMBER
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 3600**